

GRANADA SANITARY DISTRICT

OF SAN MATEO COUNTY

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MINUTES

BOARD OF DIRECTORS MEETING

May 20, 2004

CALL MEETING TO ORDER: The Regular Meeting of the Board of Directors of the Granada Sanitary District was called to order at 7:31 p.m.

ROLL CALL: Attending Directors: President Shawn McGraw, Vice President Leonard Woren, Secretary Fran Pollard, Treasurer Matthew Clark.

Attending Staff: General Manager Chuck Duffy, District Administrator Gina Holmes, Assistant District Administrator Delia Comito, and District Legal Counsel Jonathan Wittwer.

PLEDGE OF ALLEGIANCE

GENERAL PUBLIC PARTICIPATION

The following member of the public addressed the Board:

Frederick Lyon, representing the Point Pillar Project, LLC, requested that consideration of that project's sewer service be placed on the District's next meeting agenda. He also asked the Board to consider reducing the number of capacity units needed for the project from 96 ERU's to 67.5 ERU's, and that he believed there was capacity reserved in the system prior to the Assessment District formation available for the project. The Board directed the General Manager to place an agenda item regarding that project on the District's June meeting agenda.

ACTION AGENDA

1. Consideration of options to fill board member vacancy.

President McGraw announced the resignation of Board Member William Katke, who moved out of state and vacated his seat effective May 6, 2004. Director Woren suggested appointment due to the costs associated with an election.

ACTION: Director Pollard moved to proceed with appointing a new board member to fill the existing vacancy. (Pollard/Clark) Approved 4-0.

ACTION: Director Pollard moved to: 1) approve the draft Notice of Vacancy with the following modifications: add "occasional special meeting attendance" to the duty requirements, and add "June 9, 2004" as the deadline for letters of interest to be submitted; 2) post the Notice of Vacancy on May 21, 2004 in three

conspicuous places within the District (the El Granada Post Office, the District Office, and third as chosen by staff); and 3) publish the Notice of Vacancy in the Half Moon Bay Review for one week and post it on the District's Website.
(Pollard/Clark) Approved 4-0.

2. Consideration of petition language, supplemental information material, and editorial regarding possible reorganization into a Community Services District.

The Board held a lengthy discussion regarding the materials presented, which had been revised since the previous meeting.

ACTION: Director Clark moved to approve the petition sign-up sheet with the following modifications: 1) delete the date field; 2) move the address field down to a separate line; and 3) add an area on the back of each sheet for the circulator's name. (Clark/Woren) Approved 4-0.

ACTION: Director Woren moved to approve the petition as presented.
(Woren/Pollard) Approved 4-0

The Board tabled further discussion until later in the meeting.

3. Consideration of Sewer Authority Mid-Coastside Fiscal Year 2004/05 Budget and Resolutions approving the Administration, Treatment, and Collections Operating and Capital Budgets.

The General Manager reported on his meeting with SAM General Manager Jack Foley concerning various issues relating to the SAM capital budgets, percentage allocations amongst the agencies, existing excess District deposits held by SAM, and the proper implementation of the JPA agreement. Mr. Duffy stated that he and the SAM General Manager will continue discussions towards resolution of these items. Mr. Duffy recommended approval of the SAM Operating and Capital budgets, without the Portola Pump Station project as a part of the Capital Budget.

ACTION: Director Woren moved to adopt the Resolution presented to approve the Sewer Authority Mid-Coastside Fiscal Year 2004/05 Administration, Treatment, and Collection Operating Budgets. (Res. 2004-006) (Woren/Clark) Approved 4-0.

ACTION: Director Clark moved to adopt the Resolution presented to approve the Sewer Authority Mid-Coastside Fiscal Year 2004/05 Administration, Treatment, and Collection Capital Budgets, excluding the Portola Pump Station Project. (Res. 2004-007) (Clark/Pollard) Approved 4-0.

4. Consideration of Granada Sanitary District Budget for Fiscal Year 2004/05.

The General Manager presented the draft GSD Operations and Capital Budgets for Fiscal Year 2004/05 for discussion. He reviewed the pertinent changes in the budget with the Board. Based on recent information regarding the State budget crisis, the District's property allocation is expected to decrease from \$320,000 for the past year to \$200,000 for FY 2004/05. Mr. Duffy projected that the FY 2004/05 net operating loss would therefore exceed the \$74,000 outlined in the draft budget presented. He suggested that a sewer service charge increase might be necessary to close the gap, and that he would present options to that effect at the next Board

meeting. The General Manager was also directed to add columns to the budget spreadsheet to provide FY 2002/03 actual revenues and expenditures information, and percentage increase/decrease for comparison with the FY 2003/04.

CONSENT AGENDA

5. **Approval of Special Meeting minutes for April 15, 2004.**
6. **Approval of Regular Meeting minutes for April 15, 2004.**
7. **Approval of April 2004 warrants totaling \$121,378.70 (ck #1532 to #1576).**
8. **Approval of Administrative Costs Fund distribution #9 for \$11,701.26.**
9. **Approval of March 2004 Financial Statements.**
10. **Approval of Request for Relief of 1 ERU Assessment: Golda/Goodman APN: 047-143-010 and 047-143-020.**
11. **Approval of Letter from District rejecting claim from Marlborough Group as recommended by Claims Adjusters Carl Warren & Co.**
12. **Approval of Certificate of Appreciation to Director William Katke.**
13. **Approval of Bylaw "Article IV- Committees and representatives" to provide for appointment of SAM Representatives and Alternate by resolution.**
14. **Approval of Resolution re-appointing Directors McGraw and Woren as Sewer Authority Mid-Coastside Representatives and appointing Director Clark as SAM Representative alternate.**

Director McGraw noted the Certificate of Appreciation thanking ex-Board Member William Katke for his service on the GSD Board of Directors.

ACTION: Director Woren moved to approve the Consent Agenda.
(Woren/Pollard) Approved 4-0.

DIRECTORS' COMMENTS AND COMMITTEE REPORTS

15. **Sewer Authority Mid-Coastside: April 26, 2004.**
Director Woren reported on the recycled water presentation made to the SAM Board.
16. **Report on other seminars, conferences, or committee meetings.**
Director Pollard reported on the CSDA meeting regarding Workers Compensation and ERAF, which she attended on May 15, 2004.

INFORMATION CALENDAR

17. **General Manager's Report.**
Mr. Duffy indicated that he would be meeting with SAM General Manager Jack Foley regarding a potential connection at Nurseryman's Exchange.
18. **Administrator's Report.**
District Administrator Gina Holmes announced that the Board had received invitations to the opening of the new Surfrider Foundation water quality testing lab on June 19, 2004.

19. Engineer's Report, March 2004.

None.

20. Attorney's Report.

District Counsel Jonathan Wittwer reported on an email from CASA announcing that SB1272, a bill which further governed special districts, failed to gain approval from the State Senate Appropriations Committee.

FUTURE AGENDA ITEMS

None.

The Board returned to its consideration of the following Action Agenda item:

2. Consideration of petition language, supplemental information material, and editorial regarding possible reorganization into a Community Services District.

Director Pollard requested some additional changes on the informational handout material and the Op Ed piece, which she provided to the General Manager, who will incorporate her changes and return this portion of the item at the next board meeting. Director Pollard's changes were also made available to the public.

ADJOURN

The meeting adjourned at 10:25 p.m.

SUBMITTED BY:

APPROVED BY:

Chuck Duffy, General Manager

Fran Pollard, Board Secretary

Date Approved: June 17, 2004